



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 13, 2001

H.R. 2828 **Klamath Basin Emergency Operation and Maintenance** **Refund Act of 2001**

As ordered reported by the House Committee on Resources on November 7, 2001

SUMMARY

H.R. 2828 would authorize the Secretary of the Interior to refund fees assessed by the Bureau of Reclamation (BOR) on Klamath Basin irrigation and drainage districts for certain operation and maintenance costs for calendar year 2001. Subject to appropriation of the necessary funds, the Secretary would also be authorized to pay for 2001 operations and maintenance costs of water projects managed by water districts in the basin. Finally, the bill would authorize the Secretary to waive any remaining fees for 2001 that have not yet been paid. These refunds and waivers also would apply to individuals in the basin who have water contracts with the BOR.

CBO estimates that implementing H.R. 2828 would cost about \$2 million in 2002, assuming the appropriation of necessary funds. In addition, BOR would be authorized to refund of fees collected for operations and maintenance which would increase direct spending by less than \$100,000; therefore, pay-as-you-go procedures would apply.

H.R. 2828 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2828 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2002	2003	2004	2005	2006
CHANGES IN SPENDING SUBJECT TO APPROPRIATION ^a					
Estimated Authorization Level	2	0	0	0	0
Estimated Outlays	2	0	0	0	0

a. Enacting H.R. 2828 also would cause a negligible increase in direct spending in 2002.

BASIS OF ESTIMATE

Based on information from the BOR, CBO estimates that implementing H.R. 2828 would cost the government about \$2 million in 2002, assuming the appropriation of the necessary funds. The bill also would increase direct spending by less than \$100,000 in 2002.

The BOR pays for the operation and maintenance of certain structures used for flood control, storage, and drainage that have not been transferred to districts (these are known as reserved works). Under current law, the BOR bills Klamath Basin and other water users for those operation and maintenance costs. H.R. 2828 would authorize the Secretary of the Interior to refund fees already paid to the BOR for operations and maintenance of reserved works in 2001. CBO estimates these refunds would increase direct spending by less than \$100,000 in 2002.

The BOR has transferred some structures used for flood control, storage, and drainage to irrigation and drainage districts. Following transfer the districts are responsible for operation and maintenance costs. Under H.R. 2828, the Secretary of the Interior would be authorized to reimburse districts with transferred works for their 2001 operation and maintenance expenses from appropriated funds if they meet certain criteria. According to the BOR, under the bill only one district, the Klamath Irrigation District, would be eligible to receive a payment. CBO estimates reimbursing the district would cost \$1.5 million.

CBO estimates that the provision in the bill that would allow BOR to waive any remaining 2001 operations and maintenance changes for Klamath Project uses would have no budgetary impact. The BOR has no plans to impose any additional changes on these users for 2001.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO estimates that enactment of H.R. 2882 would increase direct spending by less than \$100,000 in 2002.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2828 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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